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SUBJECT: MEDIA REACTION: NORTH KOREA, THE FINANCIAL CRISIS,
U.S.-TAIWAN RELATIONS

11. Summary: Taiwan's major Chinese-language dailies focused December 12 news coverage on the Central Bank's biggest interest cuts in 26 years; the probe into former President Chen Shui-bian's corruption cases; and the police's surprise eviction of members of the "Wild Strawberry" Student Movement from a public square.

12. In terms of editorials and commentaries, a column in the centrist, KMT-leaning "China Times" said North Korea is running out of cards to play after the change of governments in both South Korea and the United States, along with the deterioration of Kim Jong-il's health. Another column in the "China Times" said it seems that China's hybrid half-planned/half-free market economy works better than Western society's free market economy. "After the decline of capitalism," the column questioned whether a neo-capitalism can be formed, should Western society choose not to follow China's economic path. An editorial in the pro-independence, English-language "Taipei Times" revealed how poor the presentation was of a delegation led by KMT Legislator Hsieh Kuo-liang to Washington. The delegation sought to defend the Ma Ying-jeou Administration's human rights record. The editorial said the delegation's terrible performance is a public relations disaster to the Ma Ying-jeou Administration. End summary.

13. North Korea

"North Korea's Big Show of 'Communicating with the United States and Ceasing Communication with South Korea'"

Tsai Zheng-jia, a research fellow of the Institute of International Relations at the National Chengchi University, wrote in the "International Column" in the centrist, KMT-leaning "China Times" [circulation: 220,000] (12/12):

"... After taking office, the Obama administration will change the U.S.'s previous role as world policeman and put the focus of its governance on reviving the domestic economy and withdrawing troops from Iraq. It [the Obama Administration] apparently does not have much interest in the North Korean issue. North Korea's wish to take advantage of the United States to seek more economic aid might end up with nothing. ...

"Since 2002, during the period when South Korea and the United States have been coordinating, North Korea's nuclear issue has persisted. However, after the change of governments in South Korea and the United States, and with Kim Jong-il's health in decline, thus absenting the best actor [Kim], it is becoming ever more difficult for North Korea to maintain this performance."

14. The Financial Crisis

"Can a Neo-Capitalism Be Formed?"

The column of "International Outlook" in the centrist, KMT-leaning "China Times" [circulation: 220,000] wrote (12/12):

"... What makes the West least comfortable is that, if the Chinese style of economy is the key to success, will many countries in the world, especially developing countries, follow China's example? If it is true, doesn't it mean that the West's values of democracy and freedom are bankrupt? ...

"Therefore, Western scholars started researching what path should be followed after the decline of capitalism. China's mode should not be followed and [the Chinese mode is] not feasible. Then, there is only one road, which is to research 'neo-capitalism.' Of course [researching neo-capitalism] is a very complicated and difficult task. Establishing it takes time as well. However, there is an unbreakable principle, in which borrowing money for a spending spree is not allowed anymore. Such an American style of capitalism must be rectified. Although the free flow of capital, commodities, and labor should be allowed without restriction, highly efficient methods which monitor the risks are required. However, the United States government so far still does not agree with such an idea."

15. U.S.-Taiwan Relations

"Three Musketeers or Three Stooges?"

The pro-independence, English-language "Taipei Times" [circulation: 30,000] editorialized (12/12):

"The three-man team of Chinese Nationalist Party (KMT) Legislator and chair of the legislature's Judiciary, Organic Laws and Statutes Committee Hsieh Kuo-liang, National Police Agency Senior Executive Officer John Chu and Ministry of Justice Counselor Chin Jeng-shyang arrived in Washington on Monday with a mission: Visit the center of US power to rebut recent allegations of a backslide in human rights, an increase in police brutality and political persecution by the U.S.-TAIWAN RELATIONS

judiciary that have tarnished the reputation of the administration of President Ma Ying-jeou.

"But if the performance at their first port of call, the conservative Heritage Foundation think tank, was the yardstick with which to judge the success of the venture, then the group may have been better off staying home. ...

"Hsieh's repeated claims that it was the Democratic Progressive Party that blocked the KMT's attempts at legal reform for the last eight years would not have convinced this audience. Attendees included people with decades of experience in and knowledge of Taiwanese affairs such as former American Institute in Taiwan chairs Nat Bellocchi and Therese Shaheen and the Heritage Foundation's John Tkacik, individuals who are fully aware of which party has held a legislative majority during that time. ...

"In summary, their arguments were weak, their facts and figures were inaccurate and their presentation was downright awful. As it stands, the video of the session could stand as a tutorial for future delegations of what not to do.

"If the Ma administration was worried about opinion in Washington before the trip, this public relations disaster should have them even more concerned."

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